



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0109	Title:	Make grantor trusts pass-through entities for tax withholding and reporting
Primary Sponsor:	Erickson, R.	Status:	As Introduced

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|--|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input checked="" type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal Impact: This bill provides the Department of Revenue with a clear definition of how Grantor Trusts should be treated for income tax purposes. Under current law there is no specific definition of how Grantor Trusts should be treated for tax purposes, so the Department of Revenue and tax practitioners are unsure of how to treat Grantor Trusts.

FISCAL ANALYSIS

Assumptions:

1. This bill is likely to correct for underreporting of taxable income, thus creating a positive revenue impact. However, quantifying the impact to state general fund revenue is not possible because of the lack of previous reporting.

Sponsor's Initials

Date

Budget Director's Initials

Date